

REMARKS

Claims 1, 2, 5, 7-11 and 13-17 were previously pending in this application.

Claims 1, 2, 5, 11 and 14 are rejected under 35 U.S.C. 103(a).

Claims 7-10 and 13 are rejected under 35 U.S.C. 103(a).

Claim 16 is cancelled, without prejudice.

Claims 1, 2, 5, 14, 15 and 17 are amended.

New claims 18-25 are added to further clarify the patentable subject matter.

No new matter is added. For example, claim 22 is supported in the specification at page 15, lines 23-24; page 18, lines 19-24; page 19, lines 10-16; and page 20, lines 13-14. Also, see FIG. 5. In addition, support for the added limitations in claim 17 can be found in page 18, lines 14-18. Claim 25 is supported in the specification at page 22, lines 6-11.

Claims 1, 2, 5, 7-11, 13-15, and 17-25 remain in the case for consideration.

Applicant requests reconsideration and allowance of the claims in light of the following remarks.

Claim Rejections - 35 USC § 103

Claims 1, 2, 5, 11 and 14 are rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Pat. No. 5,787,402 to Potter et al ("Potter"), in view of U.S. Pat. No. 5,297,031 to Gutterman ("Gutterman").

Claims 7-10 and 13 are rejected under 35 U.S.C. 103(a) as being unpatentable over Potter and Gutterman as applied to claims 5 and 11 above, and further in view of U.S. Pat. No. 4,412,287 to Braddock ("Braddock").

The rejections are respectfully traversed.

To help explain the differences between the claimed invention and the cited references, the following comments are provided.

The present invention is directed to an investment method, in which stock trade orders can be repeatedly and automatically *generated*, without further input after initial input by investors. With the investment methods of the present invention, it is possible for the investors to trade shares as desired without continuously monitoring changes of the stock market as in the conventional methods as the situation of the market changes. See page 14, lines 17-19.

Conventionally, as described at page 3, lines 19-27 of the present application, to buy or sell stocks, predetermined information such as stock account, secret number, stock item code, desired buying/selling prices, desired buying/selling quantity need to be input by the investors or staff person at the securities company each time the investor attempts to trade stocks.

However, this conventional method can be problematic for people who do not have sufficient time making orders following the ever-changing market conditions, as described in page 4, lines 11-17 of the present application.

In contrast, according to an embodiment of the present invention recited in claim 14, first, a user inputs an initial trade condition and an automatic trade condition. Then, a computer system places this initial purchase and sell orders, for example, a sell order at a price of 10,000 Won (See page 18, lines 14-24 and FIG. 7).

Next, if and when the initial sell order is contracted, the computer system, *not the user*, automatically generating and placing a new sell order at a price higher than the price, for example, 11,000 Won (FIG. 7) of the initial purchase order according to the automatic trade condition. Alternatively, as recited in claim 22, if and when the initial sell order is contracted, the computer system automatically and *simultaneously* generates and places a new sell order at a price higher than the price of the initial sell order and a new purchase order at a price lower than the initial sell order. it is

possible for the investors to trade shares as desired without continuously monitoring changes of the stock market as in the conventional methods as the situation of the market changes. Above concepts of the present invention are nowhere disclosed in any of the cited references, either alone or in combination.

With respect to claims 1, 2, 5, 11, 14, and 17, the Examiner has alleged that Potter teaches placing a new selling order according to the first automatic trade condition and contracting a first automatic trade when the first automatic trade condition is met, the computer system placing a new purchase order according to the second automatic trade condition and contracting a second automatic trade when the second automatic trade condition is met.

The Examiner has not pointed to specific teachings of Potter regarding the limitations of, for example, claim 14, which now recites,

“selecting, by a user, at least one of the securities to be traded and inputting an initial trade condition and an automatic trade condition...;

the computer system placing initial purchase and sell orders according to the initial trade condition...

if and when the initial sell order is contracted, the computer system automatically generating and placing a new sell order at a price higher than the initial purchase order.” (Emphasis added)

Nowhere does Potter teach or suggest such a relationship between the initial sell order and the subsequent computer-generated new sell order at a price higher than the initial purchase order. Instead, throughout Potter, constant interaction between the client and the system is required for each transaction or between transactions. Col. 11, lines 33-34 and lines 59-63; col. 12, lines 60-61 and lines 66-67; col. 13, and lines 34-35. Nothing in Potter teaches the computer *generating* a trade order right after or responsive to the previous contracted trade order. Thus, it suffers the same deficiency as the conventional methods described above because the client has to watch the market constantly to deal with ever-changing market conditions.

Further, the Examiner has admitted that Potter does not disclose “new price, executed without the intervention of the user, the new selling order price higher than the contracted price, and the new purchase order price is lower than the contracted price.” Then, the Examiner has gone to say that Gutterman discloses “automatic security trading, current price (new price), and price limit order (greater or less than a specific price (bid); and system configuration accepting incoming orders automatically without broker action.”

However, in Gutterman, various trade methods such as a price limit order are quite different from the investment methods described in the present invention. For example, the price limit order merely means that once the order is made by the client, it can be executed only at the price specified or at a better price level in the future. See col. 3, lines 34-37 of Gutterman. There is no additional order to be generated by the computer besides the limit order. Therefore, for each contract, only a *single* trade will be executed and no subsequent order will be generated by the Gutterman system. This is also true for other methods such as stop orders and limit orders. See col. 3, lines 40-67. Therefore, with the prior art methods including E*Trade, for multiple transactions to occur, the client or the broker has to input information for each contract, probably after constantly following the market.

Therefore, none of the cited references, either alone or in combination, teach or suggest the limitations of claim 14. As a result, claim 14 is allowable and claims 15 and 18-25, which depend therefrom and recite features that are neither taught nor disclosed in the cited references, are also allowable. For example, none of the cited references teach or suggests, “the computer system *simultaneously* generating at least two purchase orders and at least two selling orders,” as recited in new claim 25.

Also, claims 1, 2, 5 and 11, which recite similar limitations, are allowable for the same reasons. For example, none of the cited references teach or suggests, “the computer system generating and placing new purchase and selling orders at a new price according to the automatic trade condition *immediately after* either the purchase order or the selling order is contracted,” as recited in claim 1. Claims 7-10, which

depend from claim 5 and claim 13, which depends from claim 11, are also allowable for their dependency and their own merits.

More importantly, with respect to claim 15, the Examiner has argued that Kalmus discloses, "if and when the first purchase order is made, the computer system automatically placing new sell orders at a price higher than the price of the previous sell order."

However, the Kalmus system does not *generate* and place orders as recited in the claimed invention. The Kalmus system merely processes orders sent from the brokerage firms as a trading market. Thus, the Kalmus system retrieves and compares the orders for execution, not generating orders. According to an embodiment of the present invention, trade orders are automatically generated by the computer system, if and when the first purchase order is made, and sent to such a trade market, not *vice versa*. In Kalmus, after execution, the system merely *updates* all relevant order qualification parameters, but does not generate orders. See, for example, col. 1, line 57 - col. 2, line 8; col. 4, lines 23-25; col. 4, lines 60-68; col. 5, lines 5-10 of Kalmus.

Therefore, claim 15 is allowable. Also, for the same reasons, claim 14, which recites the similar limitations, are allowable, in addition to the reasons discussed above.

With respect to claim 17, it is amended to recite, "the computer system placing a new selling order according to the first automatic trade condition and contracting a first automatic trade when the first automatic trade condition is met, using an automatic trade table generated by the first and second automatic trade traditions." Just because one can generate a table does not mean that one can use such a table in a certain way. None of the cited references teach or suggest the way the subsequent orders are generated by the computer system after contracting the initial trade, using the automatic trade table as recited in claim 17. Therefore, claim 17 is allowable.

CONCLUSION

For the foregoing reasons, reconsideration and allowance of claims 1, 2, 5, 7-11, 13-15, and 17-25 of the application as amended is solicited. The Examiner is encouraged to telephone the undersigned at (503) 222-3613 if it appears that an interview would be helpful in advancing the case.

Respectfully submitted,

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Limited Recognition Under 37 CFR § 10.9(b)

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